

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 7/12/2012

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to invoke First Commercial Bank Letter of Credit No. 139 for Renaissance Phase 2 Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 6-29-12

RESOLUTION NO. 12-_____

WHEREAS, First Commercial Bank issued a certain letter of credit (No. 139), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to First Commercial Bank Letter of Credit No. 139, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 12th day of July, 2012.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 12th day of July, 2012.

Mayor of the City of
Huntsville, Alabama



PO Box 040002
Huntsville, AL 35804
Phone 256-551-3300
www.fcb-hsv.com

IRREVOCABLE LETTER OF CREDIT NO. 139

SW not eff

Beneficiary:

City of Huntsville, Alabama
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804

Account Party:

Jeff Benton Development, Inc
809 Shoney Dr Ste #200
Huntsville, AL 35801

Bank:

First Commercial Bank
A Division of Synovus Bank
301 Washington Street
Huntsville, AL 35801

Subject: Article 5 Sidewalk Letter of Credit for
RENAISSANCE PHASE 2 a Resubdivision of Tract C-1 of
Renaissance, Resubdivision of Tract B and Tract C of a
Resubdivision of Lot 5 of a Resubdivision of Lot 3 of a
Resubdivision of Lot 8 Commerce 2000 Subdivision

Amount: \$36,440.00

Issue Date: June 24, 2011

Expiration Date: July 23, 2012

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective June 24, 2011, for a sum not to exceed the aggregate of Thirty Six Thousand Four Hundred Forty Dollars and Zero Cents (\$36,440.00) available by your one or more of your drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to First Commercial Bank in Huntsville, a division of Synovus Bank.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY DRAWING.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and deliver of the documents as specified.

The Letter of Credit shall be governed by the laws of the State of Alabama including but not limited to the Alabama Uniform Commercial Code, as the same may be from time to time amended.

This Letter of Credit is subject to the International Standby Practices 1998 (ISP98)

FIRST COMMERCIAL BANK OF HUNTSVILLE, A DIVISION OF SYNOVUS BANK

W Leigh Pegues
W Leigh Pegues
Executive Vice President

OK
CEH
8/29/11

4775 6-28-11

na kca 6/28/11